

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES



Brian Schweitzer
GOVERNOR

Anna Whiting Sorrell
DIRECTOR

STATE OF MONTANA

www.dphhs.mt.gov

PO BOX 4210
HELENA, MT 59604-4210
(406) 444-5622
FAX (406) 444-1970

To: Health and Human Services Subcommittee
Representative Teresa Henry, Chair

From: Business and Financial Services Division

Date: January 23, 2009

Re: Questions from the Subcommittee on vacancy savings and retirement

Question #1 How many positions are vacant now (January 2009) and what do they do? Why are they open? Which of these positions are held open to meet vacancy savings?

This table provides the answers to all of the questions. This data is as of January 15, 2009

BFSD	Advertised	Payroll Supervisor	1.00
	Interviewing	Accountant	2.00
		Medicaid/CHIP Accountant	1.00
	Under review	Bureau Chief	1.00
	Will be advertised shortly	Bureau Chief	1.00
BFSD Total			6.00

Question #2 How many positions would have to be held open to make the 4 percent vacancy savings? (Annual number) What groups of positions are most likely to be open and what do they do? See LFD Analysis, page B99. (Fill in page number where vacancy savings can be found)

FY09

76.5 FTE X 4% = 3.06 FTE (Based on the assumption that all FTE are funded proportionally)

(Page B-99) – The vacancy report states that accountant positions are difficult to fill due to outside competition. Of the 6.00 positions that are currently vacant; these positions make up 50% of the current vacancies.

Question #3 What is the division's total 7 percent vacancy savings and how many positions would have to be held open to make the 7 percent vacancy savings? What additional positions (by group) are most likely to be open and what do they do? List only the additions to the 4 percent list.

76.5 FTE X 7% = 5.36FTE (Based on the assumption that all FTE are funded proportionally)

Additional open positions needed to achieve the 7% vacancy savings will likely be similar or the same types of positions as those listed in response to Question #2 above.

Question #4 Of the division's anticipated retirements, what positions do the retirees hold? Is the estimated payout still in line with the estimates on page B-4 of the LFD Analysis?

The division's employees eligible for full retirement retirements based on projections using the data provided by DOA are 48 FTE for the biennium. The anticipated compensated absence liability of \$40,740 is still in line with the estimates on page B-4 of the LFD analysis. The following table shows the retirements that have occurred in the past two fiscal years in general job categories.

Administrative	Pay Bands (2,3,4)	100%
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Question #5 Would the division make cuts in the operating budget to meet vacancy savings? Please identify.

If needed to achieve the target amount of vacancy savings, the division can consider reductions in travel, training, equipment purchases and other discretionary operating costs. All operating budget reductions for this purpose will be subject to the review and approval of the agency senior management team in light of overall agency priorities.

The division has already submitted a 5% Reduction Plan to the OBPP in preparation for the 2009 session which will be used to guide the initial division fiscal reductions if it becomes necessary.

Question #6 If the division should have to make cuts to services, which services would be reduced first? Does the division have the authority to eliminate any programs during the interim? Please list the programs.

Elimination of programs and services is not at the discretion of the division. If program or services reductions are required, the DPHHS senior management team will assess the agency priorities, critical service needs, federal and state mandates, as well as fiscal targets, and make recommendations to the Governor for his consideration.